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MEMORANDUM FOR : Chief, FI

SUBJECT : Alleged Investigation of CIA by the Italian
Ministry of Interior

1. The attached Top Secret Memorandum #1 is identified as emanating from the Office of the U.S. Military Attache in Rome, Colonel Dawson. More precisely it is S-24-54, dated 10 August 1954. As noted in the memorandum, [] has received a copy of the memo.

2. Karl HASS, who is sub-source of Memo #1, was very recently trapped in flagrante while selling intelligence documents to an undercover man of the Italian GE service and is now awaiting expulsion from the country as an undesirable alien. He fears to be returned to west Germany where he is wanted by the authorities, and is trying to be deported to Argentina.

3. HASS, who has been for years under protection of the Ministry of Interior, and more precisely under the wing of the two men named in paragraph one of Memo #1, has no real loyalty to that Ministry or, for that matter, to anyone. His recent attempt to approach the Soviet Embassy caps his activity of the past four years which has included CIC Austria agent status, representative of the now-defunct HEINZ service in Italy, approaches to the Israeli and Arab services in Rome, etc., as noted in the attached biographical memo on him.

4. The actual source of attached memos (1 and 2) is Dr. Antonio AGOSTINO, with aliases, a wartime collaborator of HASS in the Sicherheitsdienst in Italy, and since then an intelligence operator generally under control of the Italian GE service. He is strongly ultra-nationalist and neo-Fascist. AGOSTINO, a physician, has been keeping tabs on HASS for the Italian GE for some years. He has a fiancée in the office of the U.S. Naval Attache in Rome (the N/A has been warned about her).

1 ATT

NA WAR CRIMES DISCLOSURE ACT

EXEMPTIONS Section 3(b)
(1) Privacy ☐
(2) Methods/Sources ☒
(3) Foreign Relations ☐

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by the Central Intelligence Agency
Date: 2005

5. It is believed that AGOSTINO received the information from HASS, although it is not excluded that he made it up himself. Our field station has determined that AGOSTINO went to the Italian CE with it. CE, without evaluating the information, reportedly told him to pass it to the Americans. Since a bitter relationship exists between CE and the BARLETTA intelligence group of the Ministry of Interior, it was probably felt by the former that any information which could discredit BARLETTA and company in the eyes of the Americans would be to the good. The provocation motive is therefore very much present here.

6. The information in Memo #1 attached is considered generally provocative and without foundation. There has been no real attempt to investigate CIA by the Ministry of Interior although a bitter animus exists between BARLETTA, CAPUTO and Questore Vincenzo AGNESINA of the Secret Affairs Division of the Ministry on the one hand, and the SIFAR (military intelligence) on the other. If any present investigation of CIA's extensive relationship with SIFAR is underway, BARLETTA has done so privately on his own initiative. SCELBA himself is considered responsive and very friendly to AIS and to our liaison pattern in Italy.

7. There is no indication that SCELBA is concerned about "autonomous U.S. intelligence" activity in Italy. Incidentally, the only sizeable group of officials in Italy of Fascist background is the Secret Affairs Division itself: BARLETTA, its chief, was a key OVRA official under MUSSOLINI, and his staff is riddled with ex-OVRA personnel. If the last sentence of paragraph 3 is true, BARLETTA is investigating himself.

8. Frank DELIARIA, mentioned in Memo #1, has no relationship with CIA past or present. He is notoriously known to our station as a black-marketer and a permanent commercial floater in Italy whose principal occupation appears to be that of top man in the tiny "Italian Department of the American Legion." No doubt DELIARIA has deliberately created the impression that he is an AIS official to impress the local police and his Italian contacts.

9. In connection with paragraph (f) of Memo #3, it has been frequently noted by ☐ that BARLETTA, whose division is entrusted by charter to anti-subversion and to penetration of

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the Italian Communist Party, has proven to be thoroughly inadequate and incompetent to take any sort of anti-Communist action or penetration in the six years he has held the job.

Chief, WE

Attachments:

Memo #1, 4 pages
Memo #2, 5 pages
Memo #3, 2 pages

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Based upon continuous contact with Italian sources, there has been no repeat no evidence to support allegations in ref msg. Fol is clarification of this contention:

a. The flow intel info and cooperation has been from Italian sources to US and is considered deep penetration Italian intel rather than an attempt by Italian sources penetrate USI. US Agents have complete confidence Italian sources as evidenced by many sensitive rept which have been passed and numerous times they have discussed internal intel matters which if divulged other Italian ofl could be highly embarrassing Italian sources.

b. Italian sources have at no repeat no time solicited info or indicated an interest in any US intel opr or activities. Neither have US Agents discussed US intel activities with Italian sources.

c. Principal US Agent believes emphatically that Italian sources have neither time nor repeat nor inclination conduct invess of USI activities since their entire careers have been spent actively combatting Communism. Italian sources fully realize if PCI does assume control, they and their families will be first to be elim.

d. According Italian sources the Scelba Govt is in disfavor with Italian secy agencies. The Govt has failed to take positive action against PCI and has not repeat not supported secy agencies their attempts to monitor PCI activities. (Evidence this is denial of rept req by Barletta for add funds and pers. Another example is recent Ministry of Interior reg which prohibits secy agencies from obtaining info from apartment house mgr and hotel desk men.)

e. Italian sources have indicated that Scelba Govt will soon fall to be replaced by govt formed by either Fanfani or Pella. Even if Italian sources had rec mission of penetrating USI it believed they would have adopted passive attitude due to failure Scelba Govt to halt spread Communism and their belief in temp nature his Govt.

f. If Barletta rec msg mentioned in ref msg, US Agent does not repeat not believe it was given dir by Scelba to Barletta. In 15 Sep 54 Opr meeting with Italian sources Barletta bemoaned fact there has been no repeat no direct contact between him and Scelba and he has long desired brief Scelba on dangers Communism and measures Govt should employ cope these dangers.

g. Discreet ques Italian sources by US Agents has revealed no repeat no indication or evidence any activity being conducted by Italian sources to penetrate USI opr and accumulate documentary evidence neutralize the effort. During past 2 months numerous informal discussions have been held with Italian sources. US Agents are believed able to assess the reliability Italian sources and would be aware efforts directed against them.

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3. There is no repeat no indication that Italian sources are involved any attempt penetrate US intel operation.

4. Italian sources have made no repeat no effort obtain info from US Agents concerning any US intel agencies.

5. Italian sources familiar with some CAS Italian opr and have been cooperating at both Rome and FIA levels with CAS pers. US Agents are unable determine at this time whether knowledge is result mutual intel exch or result of penetration.

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